

DECLARATION OF EXPERIMENTAL USE

I, Joseph A. Zupanick, declare that:

1. I am over the age of 21 years, of sound mind, and competent in all respects to make this declaration.

2. I am an employee of CDX Gas, L.L.C. ("CDX Gas"), located in Pineville, West Virginia. My title is Manager of Facilities Engineering and Operations. I am the sole inventor of the below listed patent applications and have personal knowledge of facts relating to a development project at U.S. Steel Mining and CDX Gas that resulted in the applications:

<u>Serial Number</u>	<u>Inventor</u>	<u>Title</u>
09/197,687	Joseph A. Zupanick	METHOD FOR PRODUCTION OF GAS FROM A COAL SEAM
09/444,029	Joseph A. Zupanick	METHOD AND SYSTEM FOR ACCESSING SUBTERRANEAN DEPOSITS FROM THE SURFACE

3. I was employed by U.S. Steel Mining from the period of June 1981 to April 1998. My title at U.S. Steel Mining was Senior Mining Engineer. My duties while employed by U.S. Steel Mining included development of a coal seam degasification technique and general pre-mining and post-mining operations.

4. In April 1998, I joined CDX Gas as an employee. CDX Gas owned a coal bed methane gas lease associated with U.S. Steel Mining's coal production operations. After I joined CDX Gas as an employee, U.S. Steel Mining instructed CDX Gas to take over complete control of the coal seam degasification project.

5. Starting in May 1997 and continuing to the present, dual wells were drilled from the surface to subterranean coal seams to degasify the coal seams. The wells were drilled in the coal seams of U. S. Steel Mining and upon my employment with CDX Gas, were drilled by CDX Gas. A map identifying the locations and the approximate drill dates of dual wells drilled in 1997 and 1998, as well as 1999, is attached as Exhibit A ("Well Map").

6. Various well configurations and methods of drilling the wells to support degasification of coal seams were tried starting in May of 1997. Before each well was drilled, a drilling plan was developed by myself. After each well was completed, the results of the operations were reviewed. During the drilling operations, summaries and records of information were kept. A "Lessons Learned" folder was initially compiled, separately maintained, and consulted to plan drilling operations for subsequent wells. A copy of the Lessons Learned folder is attached hereto as Exhibit B.

7. The wells below line A-A on the Well Map ("Lower Wells") were drilled in 1997 and up through August 1998. For the Lower Wells, the degasification processes and the lead time from degasification to mining varied, as well as rig type, drainage pattern and pattern spacing, over- and under-burdened drilling pressures, bit types, relative well spacing, pipe types, steering equipment, cavity intersection techniques, and cavity equipment.

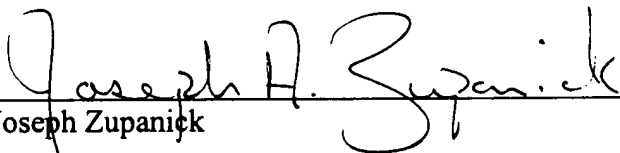
8. Gas production, a primary indication of degasification success, from the Lower Wells also varied. On dual well DW-1, any gas that was produced from the coal seam was vented into the atmosphere. On dual well DW-2, very little gas was produced. On dual wells DW-3, DW-5, and DW-6, the articulated well did not intersect the cavity of the main vertical well bore, thereby requiring explosive and other additional drilling techniques to connect the articulated well bore with the vertical well bore. On dual well DW-4, gas production was approximately one-tenth of the expected gas production, and the gas produced was eventually vented to the atmosphere. Dual wells DW-9 and DW-12 were drilled but not used. Gas production charts for several of the Lower Wells are attached as Exhibit C.

9. Although degasification lead time has continued to increase, other variables, such as drill site selection, have changed and additional problems occurred after the Lower Wells, well configurations and drilling methods for degasification of the coal seams became largely fixed for wells above line A-A ("Upper Wells") based on the gas production results and the success of the initial Upper Wells. The first Upper Well was drilled on or about July 1998 (8FG-1) with two additional wells (8FG-2 and 8FG-3) drilled on or about September 1998, after the last of the Lower Wells (8F-2).

10. Gas production, a primary indication of success of the wells, began on or about November 1998 for well 8FG-2, December 1998 for well 8FG-3, January 1999 for well 8FG-1 and May 1999 for well 8FG-1.5. Gas production charts for wells 8FG-1 through 8FG-4 are attached as Exhibit D in which the wells are labeled 8G-1 through 8G-4, respectively. For the first produced Upper Well, 8G-2 (8FG-2), successful degasification was evidenced on or about February 1999 with high gas recovery and a good initial recovery curve. Successful degasification for 8G-3 (8FG-3) was similarly evidenced on or about February 1999 with high gas recovery and a good initial gas recovery curve.

11. I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under § 1001 of Title 18 of United States Code, and that such willful false statements may jeopardize the validity of the application identified above or any patents issuing thereon.

Respectfully submitted,


Joseph Zupanic

Date: NOVEMBER 14, 2000

